

## Office of the Attorney General Paul G. Summers

## **Department of Commerce and Insurance Commissioner Paula Flowers**

## **NEWS RELEASE**

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## ATTORNEY GENERAL FILES SECOND PRICE-GOUGING LAWSUIT

Attorney General Paul Summers filed the State of Tennessee's second price gouging lawsuit today in Warren County, where a market owner is alleged to have charged consumer \$7 per gallon for gasoline.

The lawsuit alleges that Jess Whitlock, doing business as Whitlock's Market in McMinnville, was charging \$7.00 a gallon for gasoline on September 2. Whitlock allegedly doubled the posted price of \$3.50 a gallon through the use of a note on his gas pumps, which simply said, "Doubled." Consumers complained they did not notice the "doubled" signs until after they had pumped gas and started to pay the price posted at which time they were notified of the sign on the pumps.

"It is shameless that in a time when we should be trying our best to do the right thing as good neighbors, we have opportunists attempting to capitalize on the continuing national emergency caused by Hurricane Katrina," Attorney General Summers said. "We will not tolerate price gouging in Tennessee."

The Attorney General is seeking a court order to stop any deceptive activities as well as civil penalties and other relief under the Tennessee Consumer Protection Act and the Tennessee Anti-Price Gouging Act. Penalties for violations of the act are up to \$1,000 per violation and are Class B misdemeanors.

Criminal charges could also be brought by district attorneys. James W. Kirby, director of the Tennessee District attorneys General Conference said, "District Attorneys across the state will review the cases individually and will seek the toughest punishment possible when criminal statutes have been violated."

On Sept. 2, the Attorney General asked for and received a temporary retraining order against a market in Chattanooga alleged to have sold gas for \$4.99 per gallon. The Hamilton County Chancery Court ordered the Tip Top Food Mart in Chattanooga on Friday to stop increasing its prices and to stop selling gas for more than \$3.50 per gallon pending further orders of the court. A hearing regarding a temporary injunction against Ramilaben Patel, doing business as the Tip Top Food Mart, is set for 9 a.m. Sept. 16.

In addition to these lawsuits, Tennessee is participating in a multi-state inquiry by attorneys general in 43 states and District of Columbia. General Summers has also written a letter to the Hotel and Lodging Association warning its members not to engage in price gouging.

Meanwhile, the Attorney General's Office has set up an additional hotline for consumers to report potential price gouging at 1-800-890-8366. Consumers may also report suspicious price hikes at 1-800-342-8385 and 615-741-4737 or online at www.state.tn.us/consumer.